

## CLAIMS

1. A method of conducting an online auction event between a first party and at least two counterparties, being competing participants in the online auction event, the method including the steps of:
  - 5 designating a time period for the online auction event;
  - permitting each of said competing participants to prescribe a default final offer before or during the online auction event;
  - conducting the auction between the competing participants by permitting the participants to submit bids;
- 10 checking, at or after the expiry of said time period, default final offers prescribed by competing participants; and
  - if a competing participant's default final offer represents a competitive offer, registering the offer as a valid bid without any further intervention by that competing participant.
- 15 2. The method of claim 1, whereby, if a default final offer is registered as a valid bid, the online auction event is extended into an extension period to allow other competing participants to submit counterbids.
3. The method of claim 1 or claim 2, whereby the step of a registering a competing participant's default final offer as a valid bid involves comparing that default final offer to 20 bids submitted during the online auction event and to other default final offers.
4. The method of any preceding claim, said online auction event being a reverse auction event, wherein said first party is a buyer and the counterparties are competing suppliers, and whereby a competitive offer is an offer that represents a lower price to said buyer, the default final offer representing a supplier's floor price for the event.
- 25 5. The method of any one of claims 1 to 3, said online auction event being a forward auction event, wherein said first party is a seller and the counterparties are competing buyers, and whereby a competitive offer is an offer that represents a higher price to said seller, the default final offer representing a buyer's ceiling price for the event.
6. The method of any preceding claim, including the step of maintaining confidential a 30 default final offer entered by a competing participant unless and until that offer is registered as a valid bid.

7. The method of any preceding claim including, for a competing participant which has entered a default final offer, the steps of:

comparing all offers submitted by that competing participant during the online auction event with that default final offer; and

5 providing a warning message to that competing participant if the result of the comparison indicates that an erroneous offer has been submitted.

8. The method of any preceding claim whereby the online auction event is carried out over a computer network comprising an auction administrator computer, operable by or on behalf of the first party and at least two counterparty computers, operable by or on behalf of 10 said competing participants, whereby said default final offers are prescribed by competing participants by input into respective counterparty computers and storage on said administrator computer.

9. The method of claim 8 insofar as dependent on claim 6, whereby, in order to maintain the confidentiality of a default final offer prescribed by a competing participant, a 15 stored default final offer is not made available to a user of said administrator computer unless and until that offer is registered as a valid bid.

10. The method of any preceding claim, the online auction involving the award of a supply contract to a supplier selected from a panel of predetermined suppliers which each has a base supply contract with a first party buyer, and the computer network over which the 20 online auction is carried comprises at least one buyer computer, an administrator computer, and at least two supplier computers, said buyer being the first party and said predetermined suppliers being the competing participants, the method including the steps of:

establishing key parameters for the supply contract to be submitted by the administrator computer to the at least two supplier computers (eg. price, quality, delivery 25 and service);

establishing a rating for each supplier of the panel of predetermined suppliers related to said key parameters;

receiving during the auction supplier offers from the supplier computers; and

30 applying the respective ratings to each supplier offer to adjust that offer prior to comparison with any other offer.

11. The method of claim 10, whereby, during the auction event, each supplier is provided with a target bid (TB) in respect of the supply contract, the target bid calculated by

said administrator computer to dynamically indicate to a supplier an offer that that particular supplier must currently submit to remain competitive in the auction.

12. The method of claim 10 or claim 11, whereby the step of checking default final offers at or after the expiry of said time period involves applying the respective ratings to the 5 default final offers, in order to determine the default final offer which represents the most competitive offer.

13. The method of any preceding claim, including the step of permitting each said competing participant to select whether their default final offer is to apply at the end of the auction event and/or in an extension period beyond the close of the auction event.

10 14. A computer-based system for conducting an online auction between a first party and at least two counterparties being competing participants in the online auction event, the system comprising:

- a logical unit permitting designation of a time period for the online auction event;
- a logical unit permitting each of said competing participants to prescribe a default 15 final offer before or during the online auction event;
- a computer application for conducting the auction between the competing participants by permitting the participants to submit bids;
- a logical unit for checking, at or after the expiry of said time period, default final offers prescribed by competing participants; and

20 15. The system of claim 14, the online auction involving the award of a supply contract to a supplier selected from a panel of predetermined suppliers which each has a base supply contract with a first party buyer, and the computer network over which the online auction is carried comprising at least one buyer computer, an administrator computer, and at least two supplier computers, said buyer being the first party and said predetermined suppliers being the competing participants, the system including:

- a logical unit permitting establishment of key parameters for the supply contract to 30 be submitted by the administrator computer to the at least two supplier computers (eg. price, quality, delivery and service);

a logical unit permitting establishment of a rating for each supplier of the panel of predetermined suppliers related to said key parameters;

a logical unit for receiving during the auction supplier offers from the supplier computers; and

- 5 a logical unit for applying the respective ratings to each supplier offer to adjust that offer prior to comparison with any other offer.